

PROPOSITION P

2014-2015 ANNUAL REPORT



RESPECTFULLY SUBMITTED BY

**ENCINITAS PROP P BOND
CITIZENS' OVERSIGHT COMMITTEE**

June 2015

To: The Board of Trustees and Citizens of the Encinitas Union School District

The Citizens' Oversight Committee is pleased to forward its fourth annual report on the \$44.2 million general obligation Proposition P bond initiative for the 2014-15 fiscal year covering the period of July 1, 2014 through June 30, 2015. The committee held our first meeting on September 27, 2011 and has recently completed its fourth year cycle.

Principal duties of the Committee are to ensure that proceeds have been expended for the purposes set forth in the Proposition P ballot language, report the progress annually to the public and provide a compliance statement. The District's Board of Trustees is responsible for monitoring potential cost overruns, priority of projects commenced and spending levels of individual projects.

The Committee this past year was able to focus on funds charged to all categories of the attached Expenditures by Category chart. The solar projects at Mission Estancia and Olivenhain Pioneer, the sign at Park Dale Lane, and the air conditioning at Paul Ecke Central have been completed. This report highlights many of the active projects that will prolong the life of the District's facilities and improve the learning experience of its students.

The Committee relied on the annual financial audit of expenditures performed by Christy White & Associates CPA's and auditors for the bond funds, which disclosed no instances of non-compliance with the terms of Proposition 39 or Proposition P. This audit covers the fiscal year through June 30, 2014. The Committee wishes to report that, to the best of its knowledge, the Encinitas Union School District is in full compliance with the responsibilities as described in Article XIII A, Section 1(b) (3) of the California State Constitution. A full disclosure of expenditures and the Committee's deliberations can be viewed at <http://ww2.eusd.net/about/Pages/Proposition-P.aspx>.

In closing, please allow me to express my appreciation to my colleagues on the Committee and staff who have worked so hard this year. It has been my distinct pleasure to serve as chair of the Committee since March of 2014.

Very truly yours,


Alan Juliusen, Chairperson
Citizens' Oversight Committee

PROP P CITIZENS' OVERSIGHT COMMITTEE

2014- 2015 ANNUAL REPORT

About the District

The Encinitas Union School District serves the City of Encinitas and the La Costa area of Carlsbad in North San Diego County. Approximately 5,500 students in Kindergarten through 6th grade are enrolled in the District's nine schools encompassing ten different sites.

About Proposition P

All schools and students in the Encinitas Union School District will benefit from Proposition P.

Proposition P will:

- Improve student access to computers and modern technology
- Provide for energy/water efficiency for the environment and to keep more money in the classroom
- Repair and replace leaky roofs
- Replace deteriorating plumbing systems
- Upgrade outdated and inadequate electrical systems
- Modernize classrooms, restrooms, and facilities
- Replace old heating and ventilation systems

Proposition P is subject to strict accountability requirements, including independent citizen oversight and annual audits, to guarantee that improvements specified in the District's facilities master plan are completed efficiently and as promised. Proposition P funds can only be spent on our neighborhood schools to benefit local students. Monies may not be spent on administrator or teacher salaries.

Quality school facilities help retain and attract qualified teachers. Good schools maintain local quality of life and strong values.

Committee Members

Brenda Annibali-Smith
Business Representative

Bill Berrier
At-Large Member

Roger Bolus
At-Large Member

Alan Juliussen, Chairperson
At-Large Member

Lloyd O'Connell
Senior Citizen Representative

Kirstin Reece
Parent and Parent-Teacher Association / School Site Council Representative

Vacant
Taxpayer Representative *Application available at www.eusd.net

Rimga Viskanta, Vice Chairperson
Parent of EUSD Student Member

Alan Waskin
At-Large Member

Board of Trustees

Emily R. Andrade
Patricia S. Sinay
Carol Skiljan
Gregg Sonken
Marla Strich
Timothy Baird, Superintendent

Committee Meetings

The Citizens' Oversight Committee met several times throughout the year. All meetings are open to the public.

Agendas and meeting minutes from all committee meetings are available on the Proposition P Bond Oversight website at www.eusd.net. All meetings were held in the District office Board Room unless noted on the website. Meetings held to date during 2014-2015 include:

- January 14, 2015
- April 16, 2015
- June 4, 2015

For the latest Citizens' Oversight Committee meeting schedule please visit www.eusd.net.

Committee Activity Summary

The Citizens' Oversight Committee was appointed by the District's Board of Trustees in March, 2011. Proceedings of the meetings included:

- Appointment and Election of Chair/Vice-Chair;
- Review of Financial and Performance Audit;
- Review of Committee Bylaws;
- Review of Roles and Responsibilities;
- Review of Solicitation and Appointment Process;
- Review of Community Outreach Efforts;
- Review of Overhead;
- Review of Design Progress;
- Review of Project Status Reports;
- Review of Program Schedule;
- Review of Financial Reports.

Bond Expenditures as of June 30, 2015

The Encinitas Union School District is in the initial stages of the implementation of the \$44.2 million Proposition P Bond Program. Phase I proceeds were \$12,998,719. Part I of Phase II proceeds were \$9,743,411 and were issued in February 2013. The financial information on the following pages are 1) Balance Sheet / Statement of Revenues, Expenditures and Changes in Fund Balance; 2) Graph of Bond Expenditures for 2014-15; 3) Graph of Bond Expenditures for All Years (2011-2015).

For additional information on current and future Proposition P projects, please visit: <http://www.eusd.net/aboutus/pages/PropositionP.aspx>

**PROPOSTION P BOND BUILDING FUND OF
ENCINITAS UNION SCHOOL DISTRICT
Balance Sheet
June 30, 2015**

ASSETS

CURRENT ASSETS

Cash and Investments	\$ 1,447,597
Accounts Receivable	-

TOTAL ASSETS

\$ 1,447,597

LIABILITIES AND FUND BALANCE

Accounts payable	\$ -
Due to Other Funds	-

TOTAL LIABILITIES

-

Fund Balance

Designated for Tech, Green or Capital Projects	1,447,597
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TOTAL LIABILITIES AND FUND BALANCE

\$ 1,447,597

**PROPOSTION P BOND BUILDING FUND OF
ENCINITAS UNION SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year ended June 30 , 2015**

REVENUES

Interest Income	\$ 10,002
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TOTAL REVENUES

10,002

EXPENDITURES

Technology Projects	182,063
Facility Projects	5,161,263
Green Projects	67,197
Bond Audit	8,800

TOTAL EXPENDITURES

5,419,323

EXCESS OF EXPENDITURES OVER REVENUES

(5,409,321)

OTHER FINANCING SOURCES (USES)*

Proceeds From Sale of Bonds	-
Bond Premium - Source	-
Cost of Issuance	-
Bond Discount - Use	-

TOTAL OTHER FINANCING SOURCES (USES)

-

NET CHANGE IN FUND BALANCE

(5,409,321)

FUND BALANCE, BEGINNING OF YEAR

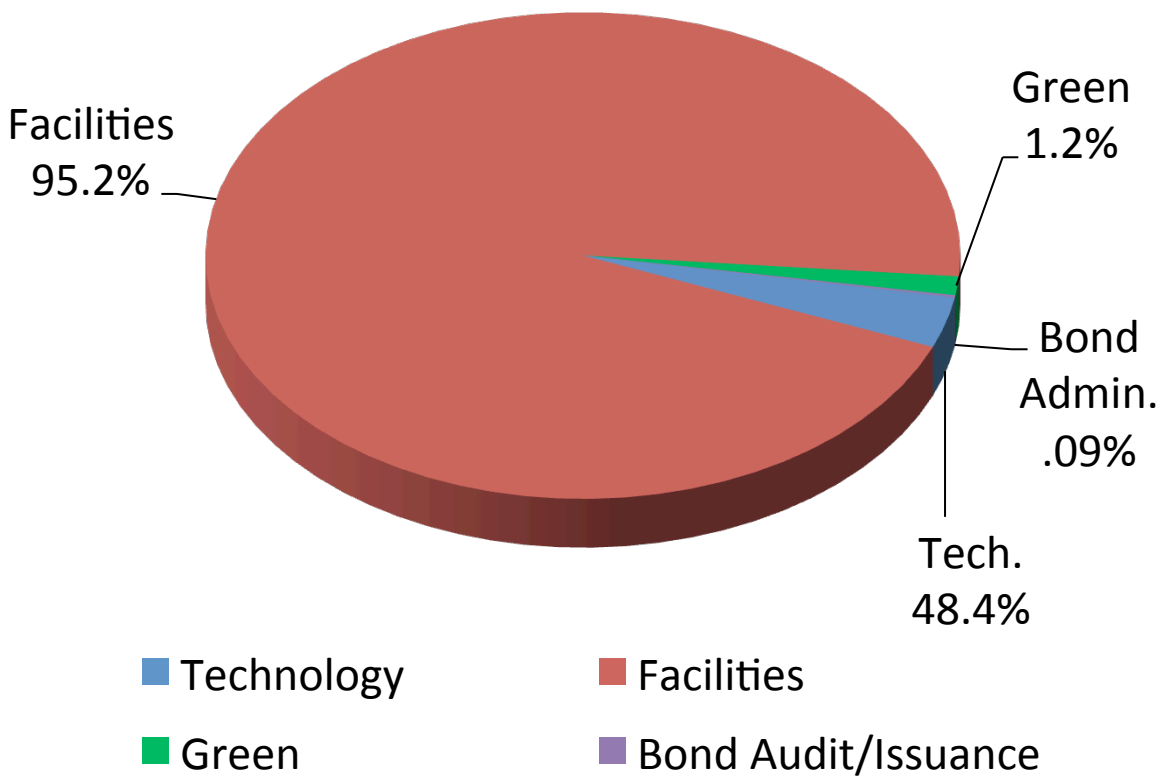
6,856,918

FUND BALANCE, END OF YEAR

\$ 1,447,597

Bond Expenditures For Fiscal Year 2014-15

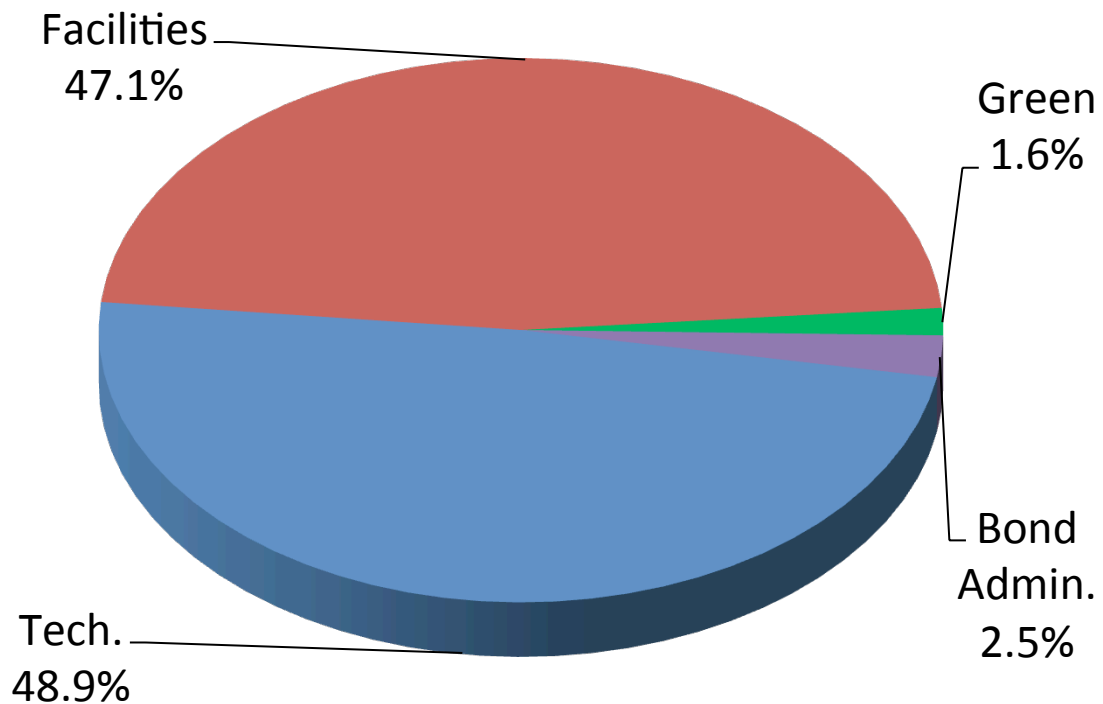
Expenditure By Category



Technology	\$182,063
Facilities	5,161,263
Green	67,197
Bond Admin. (Audit/Issuance Costs)	8,800
Total Expenditures	\$5,419,323

Bond Expenditures For All Years (2011-2015)

Expenditure By Category



■ Technology
 ■ Facilities
 ■ Green
 ■ Bond Admin.

Technology	\$10,736,934
Facilities	10,340,162
Green	354,438
Bond Admin. (Audit/Issuance)	541,441
Total Expenditures	\$21,972,975